

FISCAL NOTE

SB 3410 - HB 3498

March 22, 2004

SUMMARY OF BILL: Replaces current provision regarding waivers for motor vehicles that do not successfully complete an emissions test and instead specifies that the Air Pollution Control Board shall promulgate rules providing conditions under which owners of such vehicles may apply for waivers or variances. Changes designation of counties where emissions testing must take place by specifying that certain provisions apply in counties designated by the Air Pollution Control Board to have the inspection and maintenance program because they are in a non-attainment area or contribute to non-attainment elsewhere, or in counties that have passed a resolution specifically establishing an inspection and maintenance program. Specifies that it is unlawful to remove or render inoperable any device or element of design installed on a motor vehicle in compliance with regulations under the federal Clean Air Act prior to the sale or delivery or after the sale to the ultimate purchaser. Violation would be a Class C misdemeanor. Eliminates obsolete language in the definition of air contaminant source. Deletes obsolete language related to the voluntary inspection and maintenance program to study emissions from light duty vehicles.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$1,363,700 (As reflected in the Governor's Proposed Budget, Page B-313)

Increase State Revenues - \$1,370,000 (Included in Governor's Proposed Budget)

Increase Local Govt. Expenditures* - Less than \$100,000

Increase Local Govt. Revenues - Exceeds \$200,000

Estimate assumes:

- provisions of bill will expand the vehicle inspection/maintenance (I/M) program to an additional 20 counties.
- 21 positions in the Department of Environment and Conservation for administration of the expanded program with salaries and benefits of \$958,700.
- increase in state expenditures for operational expenses associated with the expansion of the I/M program estimated to be \$405,000.
- increase in state and local government revenues from portion of vehicle inspection fee allocated to the state. The state gets \$1.55 per vehicle and clerks get \$0.25 per vehicle.

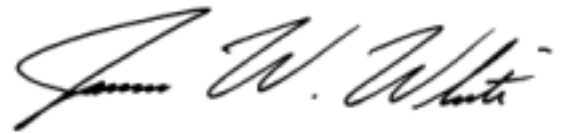
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- approximately 900,000 vehicles in the expansion counties resulting in an increase in state revenues of at least \$1,370,000 and an increase in local government revenues of \$225,000.
- an increase in local government expenditures for the administrative costs associated with requiring I/M certificates in the expansion counties estimated to be less than \$100,000.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director